

Motor Vehicle Dealer Board
Proposed Amendments to Fee Regulations
(24 VAC 22-20)
Public Hearing Minutes

Meeting Date: May 14, 2007

Meeting Time: 3:00 pm

Meeting Location: DMV Cafeteria, 2300 West Broad Street, Richmond, VA 23220

Meeting Facilitator: Bruce Gould, Executive Director
Motor Vehicle Dealer Board

Bruce Gould called opened the public hearing at 3:10 pm. An attendance sheet was distributed and the following were in attendance:

Michael Charapp, representing the Virginia Automobile Dealers Association (VADA and the Washington Area New Automobile Dealers Association (WANADA)

Lynn DuBard, Representing Virginia.gov

Rob Jones, representing Alliance Group

Lois Keenan, representing the Virginia Independent Automobile Dealers Association (VIADA)

David Boling, representing the Virginia Independent Automobile Dealers Association (VIADA)

Prin Cowan of the Motor Vehicle Dealer Board.

Gould gave an overview of the regulatory process, noting that the public comment period will end on June 15. He continued by explaining why the Board was pursuing the fee adjustments:

The Motor Vehicle Dealer Board is a Special Fund agency in that it receives no General Fund monies and operates on the fess paid by motor vehicle dealers. The current fee structure was established more than 10 years ago. When the current fee schedule was established, the financial plan was for the Board to build a surplus in revenue in the Special Fund in the first three years and those surplus revenues would cover revenue deficiencies in the last three years of the six year financial plan. A combination of lower than projected expenditures and higher than expected revenues has allowed the Board to stretch its six year plan to nearly 12 years. Without an adjustment to the fee structure, the Board will not be able to continue to provide the quick service that is now being provided to dealers and salespersons.

While the Code of Virginia sets the maximum fees the Board may assess, setting the fees must be done through the regulatory process. All dealers and interested parties registered with the Board have been invited to submit comments by mail, email and FAX and have been notified of this meeting and have been sent the following proposed fee adjustments:

License/Certificate	Maximum by Law	Current	Proposed
Dealer-operator Certificate of Qualification	\$50	\$25 to take certification test.	\$50 application fee.
Salesperson Certificate of Qualification	\$50	\$25 to take certification test.	\$50 application fee.
Dealer License	\$300	\$200	\$200
Supplemental License	\$40	\$40	\$40
Salespersons License	\$50	\$20	\$25
Dealer license plates	\$30	\$20 for the first two plates (Two for \$40.) and \$15 for each additional plate.	\$30 for the first two plates (Two for \$60.) and \$26 for each additional plate.

Lastly, the proposed regulations also include technical changes to the “Definitions” section of the regulations in order to make them consistent with recent Code changes.

Gould closed his presentation by restating that the public comment period will end on June 15 and that all public comments will be considered and a final set of regulations will be sent to the Department of Planning and Budget and the Governor’s Office for review. It is anticipated that the final regulations will be published in the *Virginia Register of Regulations* around August 20 with a November 1 effective date. All dealers will be notified at least 30 days in advance of the effective date.

Gould then asked if there were any comments, suggestions or questions.

Mr. Charapp recommended that the Board take a close look at legislation [HB 2270] that was passed by the 2007 General Assembly and effective on July 1 that allows licensing of temporary F & I [Finance and Insurance] salespersons to be sure that the revised definition of a salesperson in the regulations and the new legislation are all consistent.

There were no other public comments and the meeting was adjourned.

Submitted by Bruce Gould
May 18, 2007